

**Disher Steel Construction
Company, Limited**

80 COMMISSIONERS STREET
TORONTO

Financial Statement

Year Ended 31st December, 1945



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DISHER STEEL CONSTRUCTION COMPANY, LIMITED

OFFICERS

CLARK E. DISHER
President

THOS. E. BOYCE
Vice-Pres. and Mgr.

DONALD H. ROWAN, K.C.
Secretary

DIRECTORS

THOS. E. BOYCE	-	-	-	-	-	TORONTO
H. E. COCHRAN	-	-	-	-	-	TORONTO
CLARK E. DISHER	-	-	-	-	-	TORONTO
BRUCE C. MATSON	-	-	-	-	-	TORONTO
F. MATTHEWS	-	-	-	-	-	TORONTO
J. RUSSELL MAYNARD	-	-	-	-	-	TORONTO
E. A. H. MENGES, M.E.I.C.	-	-	-	-	-	TORONTO

**ANNUAL REPORT OF THE DIRECTORS
OF
DISHER STEEL CONSTRUCTION
COMPANY, LIMITED**

TO THE SHAREHOLDERS:

Your Directors present herewith their report and audited Balance Sheet and Profit & Loss Account of your Company for the fiscal year ended December 31st, 1945.

Net profit for the year, available for distribution, after making full allowance for depreciation of Fixed Assets, Reserve for Accounts Receivable and provision for Income and Excess Profits Taxes, amounted to \$19,978.91 as compared with \$19,346.79 for 1944.

During the year additional handling equipment was installed, and a new crane and runway constructed, resulting in a redistribution of assets. Fixed Assets were increased by \$20,419.73 and the net Current Assets position was reduced to \$149,204.93 as compared with \$166,199.92 at the end of 1944. Working Capital is considered ample for the requirements of the Company's business.

A dividend of \$1.50 per share on the Class "A" Preference share issue was distributed from the current year's earnings. This payment is equivalent to a full year's dividend requirement, and was declared on account of arrears of dividends.

Your Company entered the new fiscal year with a satisfactory backlog of orders. While a large and continuing demand for construction work is in prospect, actual operations in the industry will be seriously affected for many months as a result of the interruption in deliveries from the steel mills, whose production was curtailed during the strike period.

The Accounts and Books of the Company have been audited by George A. Touche & Co., Chartered Accountants, and their certificate is appended.

Your Directors record their appreciation of the faithful and efficient services rendered by the Officers and Employees of the Company.

Respectfully submitted,

For the Directors

CLARK E. DISHER,
President.

Toronto, April 15th, 1946.

(Incorporated under the
BALANCE SHEET AT TH

Current Assets		
Cash in Banks and on Hand.....	\$	3,816.07
Investments:		
\$75,000.00 Dominion of Canada Victory Loan		
Bonds at cost plus Accrued Interest.....		75,500.00
(Quoted Market Value—\$76,937.50)		
Accounts Receivable:		
Accounts Receivable—Trade.....	\$	42,847.40
Due from employees on War Loan Subscriptions, secured by Dominion of Canada		
Bonds.....		11,374.00
Sundry Debtors.....		205.38
	\$	54,426.78
Less: Reserve for Doubtful Accounts.....		6,001.48
		48,425.30
Stock of Material and Supplies at the lower of cost or market and work in progress at either actual or estimated material and labour cost as per inventories certified to by the President		146,146.22
	\$	273,887.59
Refundable Portion of Excess Profits Tax.....		3,932.97
Fixed Assets at Book Value		
Buildings, Machinery and Equipment.....	\$	297,945.97
Less: Reserve for Depreciation.....		229,133.89
		68,812.08
Deferred Charges.....		1,833.64
Goodwill.....		200,000.00
		\$548,466.28

We have examined the books and accounts of Disher Steel Construction Company Limited of the accounting methods and carried out a test of the transactions recorded for the year. Based and that, in our opinion, the attached Balance Sheet is properly drawn up so as to exhibit a true and of our information and the explanations given to us and as shown by the books of the Company.

Dated at Toronto, Ontario,
8th April, 1946.

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(Ontario Companies Act)

E 31st DECEMBER 1945

LIABILITIES AND CAPITAL

Current Liabilities	
Bank Loan—Secured.....	\$ 60,000.00
Accounts Payable.....	41,072.71
Accrued Charges including Reserve for Estimated Dominion Income and Excess Profits Taxes.....	23,609.95
	<u>\$124,682.66</u>
Capital Stock	
Authorized:	
15,000 Class "A" Cumulative Redeemable Convertible Preference Shares without nominal or par value	
31,500 Common Shares without nominal or par value.....	
Issued:	
15,000 Class "A" Cumulative Redeemable Convertible Preference Shares without nominal or par value of which 2,678 shares have been redeemed and cancelled.....	\$258,762.00
22,500 Common Shares without nominal or par value.....	105,000.00
	<u>363,762.00</u>
Reserve — Profit on Redemption of Preference Shares.....	12,083.98
Profit and Loss Account	
Balance at the 1st January, 1945.....	\$ 52,337.13
Add: Profit for year—Statement II.....	19,978.91
	<u>\$ 72,316.04</u>
Deduct:	
Dividends paid on Preference Shares.....	\$18,483.00
Net Adjustment on Renegotiation of War Contracts, 1941 to 1944 inclusive.....	5,895.40
	<u>24,378.40</u>
	<u>47,937.64</u>
NOTE: Arrears of Dividends (Cumulative at the rate of \$1.50 per share per annum) on the Preference Stock aggregate \$9.00 per share to the 1st November, 1945.	
	<u><u>\$548,466.28</u></u>

for the year ended the 31st December 1945. In connection therewith we made a general review upon such examination we report that all our requirements as auditors have been complied with correct view of the state of the Company's affairs at the 31st December 1945 according to the best

GEORGE A. TOUCHE & CO.,
Chartered Accountants,
Auditors.

STATEMENT II

DISHER STEEL CONSTRUCTION COMPANY, LIMITED

PROFIT AND LOSS ACCOUNT For the Year Ended the 31st December, 1945

Profit for year after charging Manufacturing cost, Administration and other expenses, but before provision for Depreciation and Dominion Income and Excess Profits Taxes, etc.....	\$ 52,174.84
Less: Depreciation on Buildings, Machinery and Equipment..	10,710.93
	<u>\$ 41,463.91</u>
Deduct: Provision for Dominion Income and Excess Profits Taxes.....	\$ 23,765.00
Less: Refundable portion of Excess Profits Tax.....	2,280.00
	<u>21,485.00</u>
Profit for year—Statement I.....	<u>\$ 19,978.91</u>



